

The Commonwealth of Massachusetts Executive Office of Health and Human Services Division of Health Care Finance and Policy Two Boylston Street Boston, MA 02116

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NOTICE OF PUBLIC HEARING

Pursuant to the provisions of M.G.L. c.118G and in accordance with M.G.L. c. 30A, as amended, a public hearing will be held on Tuesday, March 10, 2009 at 10:00 A.M. at the Division of Health Care Finance and Policy ("Division"), Two Boylston Street, 5th floor, Boston, MA relative to the adoption of amendments to:

114.3 CMR 20.00: Clinical Laboratory Services

The amendments reduce the payment rates for two drug screening services rendered to publicly aided patients. The payment rate for code 80100 will decrease from \$11.81 to \$11.77 (.34%) while the payment rate for code 80101 will decrease from \$13.61 to \$9.58 (29.61%). Payments for these two drug screen tests accounted for approximately 36% of aggregate MassHealth expenditures in FY08 on clinical laboratory services. In establishing the new rates for these codes, the Division compared the Medicaid rates of approximately one dozen states for these codes and set rates for codes 80100 and 80101 based upon an average of the other states' Medicaid rates for each of the codes. The amendments also incorporate previous coding updates (addition of new and deletion of obsolete codes) that had been issued as administrative bulletins.

The Division adopted the amendments as an emergency regulation effective February 1, 2009 to implement budget reductions in accordance with M.G.L. c. 29, § 9C. It is estimated that aggregate annual MassHealth expenditures for clinical laboratory services will decrease by \$6.6 million, or 10.4%, as a result of these amendments. The fiscal impact upon cities and towns will vary depending on the mix and volume of services purchased. The fiscal impact on individual providers will vary depending on the mix and volume of services provided.

Interested parties are encouraged to submit comments on these amendments. All persons desiring to be heard on this matter are hereby notified to appear at the designated time and place. Persons intending to speak will be afforded an early opportunity to testify if the Division receives notice by 5:00 P.M. on Monday, March 9, 2009. All others will be heard subsequently. Written comments may be sent to the Division at Two Boylston Street, 5th floor, Boston, MA 02116.

Copies of the regulation are available for inspection and/or purchase at the Division, Two Boylston Street, 5th floor, Boston, MA 02116 or you can access them free of charge in the Regulations section of the Division's web site located at www.mass.gov/dhcfp.